

REMARKS

Claims 27-54 are pending in the application. By this Amendment, Claims 1-26 are canceled without prejudice or disclaimer of the subject matter contained therein, and Claims 27-54 are added. Favorable reconsideration is respectfully requested in light of the following Remarks.

1. The Office action objects to Claim 8 for failing to further limit the subject matter of a previous claim. The objection is respectfully traversed.

By this Amendment, Claim 8 is canceled, thereby rendering the objection moot. Withdrawal of the objection is respectfully requested.

2. The Office action rejects Claims 4, 10-18 and 26 under 35 U.S.C. 112, second paragraph as being indefinite. The rejection is respectfully traversed.

By this Amendment, Claims 4, 10-18 and 26 are canceled, thereby rendering the rejection moot. Withdrawal of the rejection is respectfully requested.

3. The Office action rejects Claims 1-4, 19, 20 and 25 under 35 U.S.C. 102(e) over Josephson et al. (U.S. Patent No. 7,155,423, hereinafter "Josephson"), Claim 5 under 35 U.S.C. 103(a) over Josephson, and Claims 6-18 and 21-24 under 35 U.S.C. 103(a) over Josephson in view of Dhurandhar et al. (U.S. Patent Application Publication No. 2003/0233304, hereinafter "Dhurandhar"). The rejections are respectfully traversed.

By this Amendment, Claims 1-26 are canceled, thereby rendering the rejections moot. Withdrawal of the rejections is respectfully requested.

New independent Claims 27, 37 and 46 specify, *inter alia*, the feature of randomly drawing an initial population of individual portfolio allocations that are generated from a portfolio allocations archive by using a combination of linear programming and sequential linear programming algorithms using a computing device. Support for this feature, and other features of Claims 27, 37 and 46 can be found, for example, in Paragraphs [00114]-[00131] and Figures 3, 6 and 7.

It is respectfully submitted that at least this feature, in combination with the

other features when Claims 27, 37 and 46 are looked at as a whole, are not disclosed, taught or suggested in the applied art.

For at least this reason, Claims 27, 37 and 46 are allowable over the applied art, taken singly or in combination. Claims 28-36, which depend from Claim 27, Claims 38-45, which depend from Claim 37, and Claims 47-54, which depend from Claim 46, are likewise allowable over the applied art, taken singly or in combination.

In view of the foregoing, it is respectfully submitted that the application is in condition for allowance. Favorable consideration and prompt allowance of the application is earnestly solicited.

Should Examiner Newton believe anything further would be desirable in order to place the application in better condition for allowance, the Examiner is invited to contact the undersigned attorney at the telephone number listed below.

It is believed that any additional fees due with respect to this paper have already been identified. However, if any additional fees are required in connection with the filing of this paper, permission is given to charge account number 07-0868 in the name of General Electric Company.

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Respectfully submitted,

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